

Data Sheet

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| USAID Mission: | Armenia |
| Program Title: | Social Protection |
| Pillar: | Economic Growth, Agriculture and Trade |
| Strategic Objective: | 111-0340 |
| Status: | Continuing |
| Planned FY 2005 Obligation: | \$7,400,000 FSA |
| Prior Year Unobligated: | \$3,801,000 FSA |
| Proposed FY 2006 Obligation: | \$5,500,000 FSA |
| Year of Initial Obligation: | 2004 |
| Estimated Year of Final Obligation: | 2008 |

Summary: USAID's Improved Social Protection strategic objective will strengthen Armenia's social insurance and assistance programs. Beginning in 2005, a skills-based, labor development program specifically targeting out-of-school youths and unemployed adults will be introduced and coupled with a program designed to improve the country's Employment Service Agencies. The introduction of the skills-based labor development program will complement work in social insurance and assistance, and will contribute to the overall reduction of extreme poverty by increasing the number of people participating in the labor market.

Inputs, Outputs, Activities:

FY 2005 Program: Protect and Increase the Assets and Livelihoods of the Poor During Periods of Stress (\$7,400,000 FSA, \$2,657,000 FSA carryover, \$1,144,000 FSA prior year recoveries). The Armenian Social Transition Program (ASTP), will complete its work in the rollout of the nation's first Social Security Card program. When ASTP completes this year, 2.5M cards will be in circulation and the GoA will be using Social Security numbers to safeguard the state social insurance system. ASTP will also complete its work in the Integrated Social Services Centers and assist the Ministry of Labor and Social Issues in finalizing its Law on Social Assistance and its Law on Non-State Pensions. The NGO Training and Resource Center (NGOC) will complete monitoring its current grant program and complete a final assessment of its program. This program will also complete in FY05. Principal contractors: PADCO (prime), Armenian Assembly of America (prime).

The Community Self Help Grant program will continue. A new Integrated Community Development Program will, in direct coordination with local mayors and town councils, support rehabilitation of schools, health clinics, and essential village infrastructure, as well as training in budgeting and administration for local municipal leaders. This 2-year program has been designed to introduce a comprehensive approach to poverty reduction through infrastructure repair, community and local government education and training and the introduction of local economic development models catering to the specific resources and needs of the community. The Soup Kitchen program will expand its partnerships with local municipalities and the Ministry of Labor and Social Issues to help the government to find ways to address elderly needs. Finally, the newly introduced Children in Especially Difficult Circumstance program will continue its work to improve the treatment of children in institutions, assist schools in mainstreaming children with disabilities and help communities and families deal with children at risk through their community centers and roaming social workers. Principal contractors: Save the Children (prime), UNDP (prime), Mission Armenia (prime), World Vision (prime).

The new 2-year Public Works program will incorporate skills training as part of USAID's involvement in development of the labor market. Additionally, USAID will begin a multi-year program to improve skills and employment services that will specifically target unemployed adults with outdated or obsolete skills. It is expected that the public works program will merge into the labor development program. Principal contractors: TBD.

FY 2006 Program: Protect and Increase the Assets and Livelihoods of the Poor During Periods of Stress (\$5,500,000 FSA). USAID will continue to work towards developing partnerships between non-governmental service providers and local and national government agencies. New work in the implementation and application of the Labor Code and the Labor Inspectorate, as well as accounting, managerial and administrative reform for the State Social Insurance Fund (SIF) will begin. Public awareness of the application and roles/responsibilities of these codes, laws and agencies will be an important part of these programs. Principal contractors/grantees: World Vision, Save the Children, Mission Armenia, TBD.

The Public Works program will be fully underway and the skills training component will be applied to all participants of the program. Systems reforms of the Employment Services Agencies, including managerial and operational reform, will begin. Curricula for new skills will be designed and introduced at regional pilot training centers. Principal contractors: TBD.

Performance and Results: Significant progress was achieved in establishing the legal and regulatory framework necessary for social insurance and assistance programs to operate efficiently. Information management systems and applications are in place. The systems are critical for improved targeting of the poverty family benefit program, the national rollout of the social security card, and the implementation of the Personified Reporting system in the capital city, which ensures that employers contribute to social insurance based on the names and personal (social security) numbers of employees. Personified reporting will reduce fraud and ensure that pension payments are based on actual contributions to the social insurance fund.

The Soup Kitchens activity expanded programming to address a broad range of concerns of the elderly including basic health, social, and legal services. As a result of the broadened scope, the program served more than twice the number of beneficiaries it did in 2003. The Children in Especially Difficult Circumstances program introduced roving street workers, began its social and advocacy work with incorrectly institutionalized children in Armenia's two largest state-run institutions, and began its program to mainstream children with disabilities into trained and equipped public schools. The Community Self-Help fund was so enthusiastically embraced by local governments, particularly those in rural areas, that the fund received more than 250 applications. The NGO Center program introduced a new series of grants specifically designed to assist qualified health and social sector NGOs to apply their programs to their targeted beneficiaries, thus allowing years of training in management, strategy development, monitoring and evaluation to finally be applied in the social protection sectors. Finally, 2,200 individuals with mental disabilities were provided with a safe hospital through the Public Works Program's largest single project.

At the completion of this SO, most of the core design work for sustainable social insurance programs will be complete, which will allow Armenia to continue to develop and refine the legal and regulatory framework for sustainable social delivery systems. In addition, workers with outdated or limited work skills will receive training and the opportunity to apply their newly attained knowledge, skills and abilities through a labor development program, and marginalized members of society, such as the elderly, abandoned children, the disabled and the extremely poor will have access to appropriate social safety net services.

US Financing in Thousands of Dollars

Armenia

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| 111-0340 Social Protection | FSA |
| Through September 30, 2003 | |
| Obligations | 56,306 |
| Expenditures | 45,028 |
| Unliquidated | 11,278 |
| Fiscal Year 2004 | |
| Obligations | 9,180 |
| Expenditures | 10,773 |
| Through September 30, 2004 | |
| Obligations | 65,486 |
| Expenditures | 55,801 |
| Unliquidated | 9,685 |
| Prior Year Unobligated Funds | |
| Obligations | 3,801 |
| Planned Fiscal Year 2005 NOA | |
| Obligations | 7,400 |
| Total Planned Fiscal Year 2005 | |
| Obligations | 11,201 |
| Proposed Fiscal Year 2006 NOA | |
| Obligations | 5,500 |
| Future Obligations | 0 |
| Est. Total Cost | 82,187 |